

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 12, 1996

SUBJECT: **SB 2579 - HB 2500**

This bill, if enacted, will expand the current 25% fee discount program for children of licensed public school teachers to include children of parents who have been employed by a local education agency in a non-instructional capacity. The 25% discount will apply only for those eligible students enrolled at a state operated higher education institution.

The fiscal impact from enactment of the bill is estimated to result in an increase in state expenditures of approximately \$617,760 to offset lost tuition revenues to the schools of approximately \$617,760. This estimate assumes the following:

1. There are approximately 40,000 state employees and 1,400 dependent children participating in the fee discount program.
2. The participation rate is estimated to be 4.0%, or 1,485.
3. The average tuition discount of this program is estimated to be approximately \$416 per participant in 1995-96.
4. There are 37,130 full-time employees of local education agencies in a non-instructional capacity.

Details of the estimate are shown below:

Non-instructional employees	37,130
Participation factor	x <u>4.0%</u>
Estimated participants	<u>1,485</u>
Est. Maint. Fee Per Yr.	\$ 1,663 per year
Est. Maint. Fee Disc. Per Yr.	\$ 416 (25% discount)
 Est. Inc. in State Exp.	 <u>\$ 617,760</u> (\$416x1,485)

Note: Participation rate based on estimates of past employee to participation ratios in similar programs.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director